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Running the FCRPS in 2001

An unprecedented river management situation in the Columbia Basin is a result of poor water conditions coupled with an extraordinary power market on the West Coast say executives of six Federal agencies.

Acknowledging their obligations to operate Federal Columbia River Power System projects to meet multiple purposes consistent with authorizing legislation, laws, and existing Biological Opinions, they have proposed a draft set of Principles of Operations to guide 2001 operations and are coordinating with their regional partners.

- The proposed principles are intended to improve internal federal agency management of the FCRPS and do not in any way change or affect the agencies' statutory responsibilities.
- · Emergency FCRPS operations as outlined in the proposed principles try to make the best of a tough situation. The agencies will carefully balance the needs of fish with the poor water conditions and unusual power needs. The operations proposed are consistent with the Biological Opinions, recognizing that emergencies are anticipated in the Opinions, and would not constitute a violation of the Endangered Species Act or any other law.
- · Criteria for declaring a power emergency include either a threat to power system reliability due to insufficient power supply or an insufficiency of funds to purchase needed power or to fund BPA programs including fish and wildlife activities.
- The proposed principles recognize that as there are deteriorating or improving changes in conditions, the priorities for FCRPS emergency operations may be modified.

The federal agencies are seeking input from the region before the principles are finalized on March 2, 2001.

Excerpts from the Principles are attached. See the entire document at http://www.nwd-wc.usace.army.mil/TMTand select Proposed Principles under the 2001 Supporting Documents.

Contact Therese Lamb at 503-230-4452 with comments on the principles.

CURRENT SITUATION

Pool Elevations (Approx. in feet)

3/31 Flood Control		Today
Libby (CoE)	2444	2391
Dworshak (CoE)	1582	1502
Grand Coulee (BoR)	1283	1230
Hungry Horse (BoR)	3555	3501

Reservoir Operations

The Technical Management Team agreed to implement the following operations last week:

- Ouflows from Dworshak were decreased to 1.3-1.5 kcfs, down from last week's 6 kcfs.
- Libby outflows will ramp down to 6 kcfs, from a high of 15 kcfs last week.
- Hungry Horse goes to minimum outflows of 2.7 kcfs.
- Grand Coulee outflows average 95-110 kcfs, not to exceed a daily draft of 1-1.5 feet per day.
- Outflows at Bonneville Dam will be maintained at 130 kcfs for the base power operation and a 11.7 foot tailrace elevation for base chum operation.

The probability of refill at Corps reservoirs by June 30 is less than 50%.

Moderate Drought for Pacific NW

NW states remain in a Drought Level 1 - moderate drought situation - based on water shortages developing in streams and reservoirs.

Snowpacks in most Northwest basins are less than 60% of average. Mid-February water supply forecasts for the Columbia show a Grand Coulee volume forecast of 61% of average and The Dalles at 59% of average.

Megawatt Summary

For the week ending Feb. 18, Federal generation was 1.18 million MW-Hrs per week, with 7043 average MW. Corps generation was an average of 5145 MW, or about 41% of available capacity.

Excerpts from the Proposed Principles for 2001 FCRPS Operations

Poor water conditions in the Columbia River basin coupled with an extraordinary power market on the West Coast have caused an unprecedented river management situation this year.

In recognition of obligations to operate FCRPS projects to meet multiple purposes consistent with (1) authorizing legislation, (2) additional laws including the Endangered Species Act (ESA) and the Clean Water Act (CWA), Pacific Northwest Electric Power Planning and Conservation Act, Reclamation Laws and (3) existing Biological Opinions for the operation of hydroelectric reservoir projects in the FCRPS and the marketing and transmission of power from those projects, these principles are proposed by the regional offices of the following federal agencies: Bonneville Power Administration, U.S. Army Corps of Engineers, Bureau of Reclamation, National Marine Fisheries Service, U.S. Fish and Wildlife Service, and Environmental Protection Agency.

These principles recognize that achieving the objectives of the system's multi-purpose operation this year is made more difficult by the continuing poor water conditions, and that the unprecedented power market conditions this year may result in emergency operations of the FCRPS. The six Federal agencies agree to seek consensus on emergency operations that minimize variations from the operations described in existing Biological Opinions, by considering priorities for fish operations to minimize effects on listed and unlisted fish populations, and to seek offsetting measures sufficient to achieve the objectives of the Opinions.

Existing Biological Opinions recognize that water management actions may change due to unfore-seeable power system, flood control or other emergencies. Emergencies may include a power emergency; one based on insufficient power supply to meet demand in the Pacific Northwest. There may also be West Coast demand involving health and human safety that requires an emergency response. Any emergency actions should be viewed as a last resort, and will not be used in place of long-term investments necessary to allow full, uninterrupted implementation of the required reservoir operations while maintaining other project purposes, such as an adequate and reliable power system.

It is recognized that federal agencies may, through adaptive management, adjust FCRPS operations over time, as there are deteriorating or improving changes in circumstances, for example water supply, economic outlook, power market conditions, conditions affecting listed fish, fish and wildlife, water quality, or project uses. Continued coordination will ensure federal agencies have current information and appropriate input from all interested parties on which to base their decisions.

These principles are not intended to and do not alter or affect the statutory and other legal rights, authorities, responsibilities, and obligations of the

federal agencies and the right and authority to interpret and implement other statutory authority. These principles are intended only to improve the coordination of the federal agencies in their management of the FCRPS, and are not intended to, nor do they create any right, benefit, or trust responsibilities, substantive or procedural, enforceable at law or equity by a party against the United States, its agencies, its officers, or any person.

ACTIONS PRECEEDING A POWER SYSTEM EMERGENCY DECLARATION

In order to meet Pacific Northwest load requirements the following actions will be taken prior to declaring a power system emergency:

- 1. Take all steps to provide for voluntary conservation;
- Implement conservation measures, to the extent possible;
- 3. Exercise contract provisions that reduce firm load obligations;
- 4. Pursue purchase of load reductions;
- 5. Pursue purchases consistent with the economic criteria;
- 6. Pursue acquisition of irrigation pumping load; or
- 7. Pursue BPA financial options (will be further detailed)

POWER EMERGENCIES: PRELIMINARY CRITERIA AND PROCESS

- 1.Assuming an adjustment in FCRPS operations required to meet power demands, preliminary criteria for declaring a power emergency are:
 - a.Power System Reliability due to insufficiency. Defined as insufficiency of electrical generation to meet Pacific Northwest electrical demand. May also be measured using a quick rise in prices over a few hours or days as an economic indicator of resource scarcity.
 - b.Power System Reliability due to insufficient funds to
 acquire sufficient electrical generation and maintain
 other BPA funded activities, including programs to
 protect, mitigate and enhance fish and wildlife.
 Triggered by greater than a XX% probability of
 having negative cash reserves in any month in fiscal
 year 2001. In the interim, to ensure purchase
 exposure is not in excess of the XX% probability,
 BPA will make reasonably priced purchases. (All
 analysis to date has utilized a 20% probability as the
 threshold.)
- 2.Procedures to finalize preliminary criteria for declaring a power emergency include:
 - a.Discuss with state fisheries agencies, tribes, governor's offices and other interested parties in the region, the proposed criteria for declaration of an emergency.
 - b. Finalize the criteria for declaring any additional power emergencies by March 2, 2001.
- 3. All power emergencies will be declared consistent with TMT's Interim Protocols for Emergency Operations dated September 22, 2000, or as subsequently amended.